

10 6564

BROWN RUDNICK LLP

Seven Times Square

New York, New York 10036

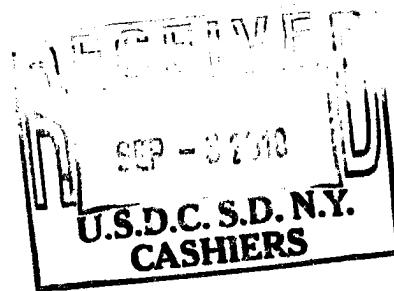
(212) 209-4800

David J. Molton

May Orenstein

Daniel J. Saval

Kerry L. Quinn



*Attorneys for Plaintiff Fairfield Sentry Limited,
by the Foreign Representatives Thereof*

**UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK**

| | | |
|---|---|--------------------------|
| In re: |) | Chapter 15 Case |
| Fairfield Sentry Limited, et al., |) | Case No: 10-13164 (BRL) |
| Debtors in Foreign Proceedings. |) | Jointly Administered |
| <hr/> | | |
| Fairfield Sentry Limited, |) | Adv. Pro. No. _____ |
| Plaintiff, | | |
| V. |) | <u>NOTICE OF REMOVAL</u> |
| Banque de Commerce et de Placements and Beneficial Owners of the Accounts Held In the Name of Banque de Commerce et de Placements 1-1000, |) | |
| Defendants. | | |

NOTICE OF REMOVAL

TO THE HONORABLE JUDGES OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK:

Pursuant to 28 U.S.C. §§ 157, 1334, 1441 and 1452, Rule 9027 of the Federal Rules of Bankruptcy Procedure, plaintiff Fairfield Sentry Limited ("Sentry"), by Kenneth Krys

and Christopher Stride (the “Foreign Representatives”), in their capacities as the duly appointed foreign representatives of the liquidation proceedings of Fairfield Sentry Limited (“Sentry”) and Fairfield Sigma Limited (“Sigma”) pending before the Commercial Division of the High Court of Justice, British Virgin Islands (the “BVI Court”), and Christopher Stride, in his capacity as the foreign representative of the liquidation proceeding of Fairfield Lambda Limited (“Lambda,” and together with Sentry and Sigma, the “Debtors”) pending before the BVI Court, through their attorneys Brown Rudnick LLP, hereby give notice of the removal to the United States District Court for the Southern District of New York (the “District Court”), and referral to the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) of all claims and causes of action asserted in the action captioned below (the “Banque de Commerce Redeemer Action”):

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

-----X
FAIRFIELD SENTRY LIMITED, :
: :
: : Index No. 650945/2010
Plaintiff, :
: :
-against- :
: :
BANQUE DE COMMERCE ET DE PLACEMENTS, :
BENEFICIAL OWNERS OF THE ACCOUNTS HELD :
IN THE NAME OF BANQUE DE COMMERCE ET DE :
PLACEMENTS 1-1000, :
: :
Defendants. :
-----X

In support of this Notice of Removal, Sentry, by the Foreign Representatives, respectfully represents as follows:

BACKGROUND

Banque de Commerce Redeemer Action

1. On July 14, 2010, Sentry, by and through the Foreign Representatives, commenced the Banque de Commerce Redeemer Action in the Supreme Court for the State of New York, New York County (the “New York State Court”) against Banque de Commerce et de Placements and the Beneficial Owners of the Accounts Held In the Name of Banque de Commerce et de Placements 1-1000 (collectively, the “Banque de Commerce Defendants”), seeking recovery of \$485,643.24 in funds paid to the Banque de Commerce Defendants for the redemption of Sentry shares prior to December 2008, the month when the Madoff fraud was discovered.

2. The nature of the Banque de Commerce Redeemer Action is for mistake and restitution arising out of such redemption payments, and such action asserts claims of unjust enrichment, money had and received, mistaken payment and constructive trust.

Chapter 15 Cases

3. On June 14, 2010, the Foreign Representatives filed voluntary petitions in the Bankruptcy Court for recognition of each of the Debtors’ insolvency proceedings pending before the Commercial Division of the High Court of Justice, British Virgin Islands (the “BVI Proceedings”), as foreign main proceedings under Chapter 15 of title 11 of the United States Code (the “Bankruptcy Code”). On July 22, 2010, the Bankruptcy Court entered a Minute Order in the Debtors’ jointly-administered Chapter 15 cases recognizing the BVI Proceedings as foreign main proceedings under Chapter 15 of the Bankruptcy Code [Docket No. 47] (as amended by Docket No. 48 and Docket No. 51, the “Recognition Order”). A true and correct copy of the Recognition Order, with amendments, is attached hereto as **Exhibit A**.

BASIS FOR REMOVAL

4. The claims asserted in the Banque de Commerce Redeemer Action are removable to the District Court pursuant to 28 U.S.C. § 1452(a) and Rule 9027 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

5. The District Court has jurisdiction over the claims asserted in the Banque de Commerce Redeemer Action pursuant to 28 U.S.C. §§ 1334(b) and 1452(a) because they arise in and/or are related to the Debtors’ Chapter 15 cases pending in the Bankruptcy Court, styled In re Fairfield Sentry Limited, et al., Debtors in Foreign Proceedings, Case No. 10-13164 (BRL). The claims and causes of action asserted in the Banque de Commerce Redeemer Action represent significant assets of Sentry that are currently being administered in the United States, and the resolution of such claims will impact the Debtors’ Chapter 15 cases and Sentry’s liquidation in the BVI Proceedings.

6. Additionally, the claims and causes of action in the Banque de Commerce Redeemer Action can be heard and determined in the Bankruptcy Court on reference from the District Court pursuant to 28 U.S.C. § 157(a) and the July 10, 1984 Standing Order of Referral of Cases to Bankruptcy Judges issued by the District Court for the Southern District of New York (Ward, Acting Chief Judge) (the “Standing Order of Referral”) because the Banque de Commerce Redeemer Action arises in and/or is related to the Debtors’ Chapter 15 cases and the Bankruptcy Court derives its jurisdictional authority from the District Court.

7. The claims asserted in the Banque de Commerce Redeemer Action constitute components of a broader-scale litigation undertaken by the Foreign Representatives to recover and administer assets belonging to the Debtors. Removal of the claims asserted in the Banque de Commerce Redeemer Action and referral to the Bankruptcy Court best facilitates the Foreign

Representatives' goals of efficiently and timely administering the Debtors' affairs and assets through the Chapter 15 cases and the BVI Proceedings by concentrating all matters related to the Debtors before one court.

8. Upon removal, the claims asserted in the Banque de Commerce Redeemer Action are core proceedings within the meaning of 28 U.S.C. § 157(b)(2) because they, *inter alia*, concern the administration of the Debtors' Chapter 15 cases, affect the liquidation of the Debtors' assets, and are in furtherance of the Foreign Representatives' efforts to administer and realize upon the Debtors' assets in the United States pursuant to the Recognition Order and applicable provisions of Chapter 15 of the Bankruptcy Code. .

9. In the event any of the claims asserted in the Banque de Commerce Redeemer Action are determined to be non-core, the Foreign Representatives consent to the entry of a final order or judgment by the Bankruptcy Court.

10. Pursuant to the requirements of Rule 9027, copies of all significant pleadings filed in the Banque de Commerce Redeemer Action are attached hereto as **Exhibit B**.

11. In accordance with Rule 9027, the Foreign Representatives will serve a filed copy of this Notice of Removal on all parties to the Banque de Commerce Redeemer Action, as well as the clerk of the New York State Court and the clerk of the Bankruptcy Court.

NOW THEREFORE, the parties to the Banque de Commerce Redeemer Action, captioned as Fairfield Sentry Limited v. Banque de Commerce et de Placements, et al., Index No. 650945/2010, pending in the New York State Court, are HEREBY NOTIFIED, pursuant to Rule 9027(c) of the Federal Rules of Bankruptcy Procedures, that:

A. Removal of all claims and causes of action asserted in the Banque de Commerce Redeemer Action was effected upon the filing of a copy of this Notice of Removal with the clerk of the New York State Court.

B. The claims and causes of action asserted in the Banque de Commerce Redeemer Action are removed from the New York State Court to the United States District Court for the Southern District of New York and, pursuant to 28 U.S.C. § 1452(a) and the Standing Order of Referral, are referred to the United States Bankruptcy Court for the Southern District of New York for hearing and determination in connection with the Debtors' pending Chapter 15 cases, styled In re Fairfield Sentry Limited, et al., Debtors in Foreign Proceedings, Case No. 10-13164 (BRL).

C. The parties to the Banque de Commerce Redeemer Action shall proceed no further in the New York State Court unless and until the action is remanded by the Bankruptcy Court.

Dated: September 2, 2010
New York, New York

BROWN RUDNICK LLP

By: 

David J. Molton
May Orenstein
Daniel J. Saval
Kerry L. Quinn
Seven Times Square
New York, New York 10036
(212) 209-4822

*Attorneys for Plaintiff Fairfield Sentry Limited, by the
Foreign Representatives Thereof*